



Straight Talk

from the SBA

A Quarterly Publication of the U.S. Small Business Administration Colorado District Office

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TeamBTS Tech Tips

Anti-Virus Programs

Selecting and installing your anti-virus program will not protect your computer adequately unless the following steps are taken to ensure protection.

1. Complete the license registration during installation of the software, which entitles you to an annual subscription for "live updates". You can download the latest anti-virus software. You will find a set-up wizard, and be able to schedule when you want your computer to scan for viruses.
2. You will configure real time email protection. Incoming email is scanned so "infected" mail will not get into your system.
3. Scan your CD or floppy drive to check for infected CD's or diskettes before opening a file.

For more information about virus protection, contact BarbG@TeamBTS.net

DISTRICT DIRECTOR'S CORNER



Patricia Barela Rivera

On behalf of the Colorado District Office, welcome to the inaugural edition of the *Straight Talk from the SBA* quarterly newsletter. Our main goal for publishing this newsletter is to keep you informed about issues and programs that affect the small business community, local events and seminars that provide invaluable

information and networking opportunities, and training. We also provide business development assistance available through our resource partners, and general information about the types of programs and services that we offer to Colorado's small businesses.

Thanks to our lenders, resource partners, and friends who continually support us. Without them, our ability to serve the small business community would be greatly diminished. Also, a huge thanks

goes out to the Colorado small business owners whom we have the honor of serving. Your commitment, dedication, and hard work are the backbone of our economy. We are here to help you start, run, and grow your business into the new millennium, and beyond!

"A moment's insight is sometimes worth a life's experience."

Oliver Wendell Holmes, Sr.

Sincerely,

Patricia Barela Rivera
District Director

2003 COLORADO DISTRICT OFFICE ACCOMPLISHMENTS

- The District Office approved 1,476 7(a) loan guarantees and 504 loans in Colorado valued at \$411,683,348 which was the highest loan volume ever recorded for this office.
- CDO participated in 198 outreach events and made 79 presentations in the state promoting SBA programs and services.
- Surety Bond Area Office 3 processed 1,080 bid bond applications resulting in 553 final bonds valued at \$125.9 million.
- SCORE volunteers counseled and trained approximately 6,786 small businesses.
- Colorado's Small Business Development Center network provided technical assistance to approximately 17,013 small businesses.
- Added 40 firms to our 8(a) Business Development program for a total of 197 participants.

DIVISION HIGHLIGHTS

CAPITAL ACCESS

The Colorado District Office's Capital Access Division is congressionally mandated to assist small businesses in meeting their financing needs. Our finance programs enhance the ability of lenders to provide long and short-term loans to small businesses that might not qualify through normal lending channels.

There are basically four types of SBA lending and equity investment programs available: the 7(a) Loan Guaranty Program,

the 7(m) MicroLoan Program, the 504 Certified Development Company Loan Program, and the Small Business Investment Company Program. We are certain that one of these types of loans will be right for you when the need for additional capital arises.

How It Works

SBA doesn't make direct loans to small business owners. You must first submit a loan application to an SBA participating lender for initial review. If the lender approves the loan subject to an SBA guaranty, a copy of the application will be forwarded to this office. Following SBA

Capital
Access
Staff



approval, the lending institution closes the loan and disburses the funds with monthly payments being made directly to them by the borrower.

For more information on use of loan proceeds, eligibility, terms, rates, fees, and other qualification requirements, please visit our website at www.sba.gov or contact our office directly at (303) 844-2607, extension 226.

SURETY BOND

The Surety Bond Guarantee (SBG) Program provides assistance to small contractors who have been unable to qualify for a bond on their own or who are unfamiliar with surety bonds in a ten state area. These states are Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah and Wyoming.



Surety Bond Staff

8(a) Business Development

The mission of the 8(a) Business Development Division is to assist eligible small socially and economically disadvantaged business concerns compete in the American economy through business development. This division also provides assistance to Hubzone and Small Disadvantaged Businesses.

SBA PROGRAMS AND SERVICES IN THE BUSINESS OF SMALL BUSINESS

Small businesses of the 21st Century are not just the backbone of our Nation's economy, but the innovators, creators, and the dreamers who will lead us in the years to come. Currently, small businesses provide nearly all of the new net jobs, employ 54% of the private workforce, and generate more than half of the nation's gross domestic product. Although the majority of today's 24 million small businesses function in a global marketplace and are technology driven, the business owners and their needs are as diverse as the types of businesses they own.

The SBA continues its outreach and marketing efforts to markets (Native American, Hispanic American, African American, Asian American, Women, and Veterans), providing financial and other assistance to these diverse segments of our communities. Some of the specialized and

general programs SBA offers include the following:

- **SBA LowDoc Program** targets a gap in the marketplace for small business loans under \$150,000. Completed applications are usually processed within 36 hours of SBA's receipt from the lender.
- **MicroLoan Program** was developed to increase the availability of very small loans to prospective small business borrowers in amounts that range from \$100 to a maximum of \$35,000.
- The **504 Loan Program** requires that every \$35,000 of federal money loaned create or retain one job. These loans for up to \$1 million are for fixed assets such as buildings, machinery, and equipment. Funds cannot be used for working capital, inventory, or debt repayment.
- **Export Working Capital (EWCP) Program**, designed to provide short-term working

capital to exporters, uses a one-page application form, and usually provides a reply to loan application requests within 10 days.

- **International Trade Loan Program** can guarantee as much as \$1,250,000 when combined with the **EWCP** for businesses pre-paring to engage in or already engaged in international trade.

SBA's top goal is small business success. For more information on SBA's loan programs and counseling services, please contact the Colorado District Office at 303-844-2607 or visit our website at www.sba.gov. Small business entrepreneurs can now ask questions by clicking on the "Answer Desk" button on the website or by emailing a request to answerdesk@sba.gov

PARTNERS

MI CASA CORNER

Mi Casa Resource Center for Women, Inc., was established in 1976 to serve Latinas and youth. We offer an array of prevention, education, and training programs that help women and youth maintain healthy lifestyles, increase their earning potential, and overcome barriers to self-sufficiency. Mi Casa has locations in Denver, Pueblo, and Colorado Springs. Mi Casa offers:

Business Development

Entrepreneurial training, business loans, small business planning

Career Development

Job training, job placement, career counseling, computer training, non-

traditional occupations training, placement, and technical assistance to employers

Youth Development

Support to complete high school and enroll in higher education; education to prevent teen pregnancies, sexually transmitted diseases, and HIV; GED preparation for pregnant and parenting single teen mothers; arts and culture, recreation, education, and youth leadership development; state of the art computer literacy program



Mi Casa Director and Administrative Staff

For more information about our programs, please contact Mi Casa at:

Career and Business Development Center
360 Acoma Street Knox Court
Denver, CO 80223
303-573-1302

SCORE: COUNSELORS TO AMERICA'S SMALL BUSINESS

Entrepreneurs can receive free expert advice from Counselors to America's Small Business. SCORE's services include free individual counseling sessions, a speaker's bureau (which can provide speakers to local businesses), and monthly workshops.

SCORE's confidential counseling sessions last approximately 1 hour and are available for people starting or expanding a business, seeking an SBA loan, or having problems keeping their business afloat. Clients can schedule as many free, individual sessions as they and their counselors deem necessary.

SCORE counselors help anyone interested in business management, regardless of age. SCORE staff members are always seeking new volunteers. People interested in becoming a volunteer counselor must complete an application and speak with a SCORE member about their interest and time commitment. They must sign a confidentiality agreement, attend monthly meetings in Denver, and shadow counselors during sessions until they feel confident with counseling clients. SCORE is a non-profit organization and a

resource partner with the SBA. The SBA provides the space and volunteer resources while SCORE offers the counseling and workshops. SCORE is an 11,500-member national volunteer association with four Colorado branches in Denver, Longmont, Pueblo, and Colorado Springs.

For more information about programs and locations, please call 303-844-3985.

SBDC NEWS

The Colorado Small Business Development Centers have been in operation since 1988 funded through the SBA, the State of Colorado, and private sector dollars. The Governor's Office of Economic Development assumed responsibility of administering the program in 1990 to enhance the small business viability and growth throughout the State of Colorado. The program today has 17 SBDC host organizations with three satellite offices making a total of 20 centers across the State

of Colorado.

The SBDCs offer free one-on-one confidential counseling and low cost training. *The Leading Edge Program*, a comprehensive 10- to 15-week training course, is offered through the centers; the attendees graduate with a working business plan. The centers work with start-up business clients, as well as existing businesses wishing to expand or stay viable in their business climate.



SBDC Staff Members

A list of center locations, phone numbers, e-mail address, and training class schedules are available at:

www.state.co.us/oed/sbdc



Visit us online at www.sba.gov

Colorado District Office
Suite 426
721 19th Street
Denver, CO 80202-2517

Patricia Barela Rivera
District Director
303-844-2607 X202

Milly Simon
Deputy District Director
303-844-2607 X204

Steve Muhlhauser
ADD/Economic Development
303-844-6468 X211

Ron Solberg
Chief Capital Access Branch
303-844-2607 X221

Juan Rosenbaum
Chief 8(a) Business Development
303-844-2607 X224

Ralph Layman
District Counsel
303-844-2607 X241

Dennis Chrisbaum
U.S. Export Assistance Center
303-844-6623 X18

Cristie Clark
Administrative Officer
303-844-2607 X205

Jay Edwards
Public Information Officer
303-844-2607 X231

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Colorado District Office
Suite 426
721 19th Street
Denver, CO 80202-2517

Telephone: 303-844-2607

Fax: 303-844-6468

TDD: 303-844-5638

www.sba.gov

District Director:
Patricia Barela Rivera

Editors:
Holly D. Pierce
Susan M. Albin

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HOW TO GET A SMALL BUSINESS LOAN

Applying for a commercial loan can be the most confusing aspect of running a small business. Working with the SBA and its resources before talking to a lender can save you time and frustration. The following is a list of documents that must be presented when you meet with the lender:

- ♦ Written loan proposal
- ♦ Cover letter or executive summary
- ♦ A complete proposal
- ♦ Accurate cash flow projections for at least one year
- ♦ The outlook for your industry and your business

Your lender's analysis and judgment of your business' ability to repay the loan will be the determining factor in getting the loan. You will be expected to inject your own money into the project. Your debt repayment record to suppliers, banks, home mortgage holders and other creditors will be considered. Verify all information contained in your credit reports and be

prepared to explain any errors or negative information. The past earnings of the company serve as an indication of future success. Always support your projected figures with clear, logical, and documented exhibits.

All loans should have two identifiable sources of repayment. The first source is cash flow generated from profitable operations of the business. The second source is the collateral pledged to secure the loan.

Take the material to your financial institution and ask for a direct bank loan. If declined, ask the bank to make the loan under SBA's Guaranty Loan Program. If the bank is interested in a SBA guaranty loan, the bank loan officer will be the main contact with the SBA.

If you have further questions, visit the web site at www.sba.gov or call the SBA Colorado District Office at 303-844-2607.